

Amendment No. 1 to HB1627

Winningham
Signature of Sponsor

AMEND Senate Bill No. 1020*

House Bill No. 1627

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 49-4-915(b), is amended by deleting the language "2004-2005" in the third sentence and by substituting instead the language "2005-2006" and by adding the following sentence between the second and third sentences:

Subject to the amounts appropriated by the general assembly and any provision of law relating to a shortfall in funds available for postsecondary financial assistance from the net proceeds of the state lottery, the supplemental award for full-time students shall be two thousand dollars (\$2,000) for the 2005-2006 academic year.

SECTION 2. Tennessee Code Annotated, Title 49, Chapter 4, Part 9, is amended by adding the following as a new, appropriately designated section:

Section 49-4-9__.

(a) The Tennessee Student Assistance Corporation (TSAC) shall conduct a lottery scholarship day each school year. The purpose of such day shall be to inform high school students and their parents of financial assistance available from net lottery proceeds for attendance at eligible postsecondary institutions. The Tennessee higher education commission, the University of Tennessee system, and the state university and community college system shall provide assistance to TSAC in the planning and conducting of the event. TSAC may also seek assistance from community groups, churches, and the eligible independent postsecondary institutions in the planning and conducting of the annual lottery scholarship day and in encouraging students and parents to attend.

(b) On the annual lottery scholarship day, TSAC shall provide grade appropriate information concerning, but not limited to:

(1) Eligibility requirements for the various lottery scholarships;

(2) Admission standards for eligible postsecondary institutions, the differences between such standards and the eligibility requirements for scholarships, and the differences in admission standards among the eligible postsecondary institutions;

(3) Computation of grade point averages for lottery scholarship eligibility, both high school grade point averages for initial eligibility and college grade point averages for retention of scholarships; and

(4) Testing dates for the ACT and SAT, the differences between these tests, and the use of such tests in admission decisions by eligible postsecondary institutions.

(c) Twelfth grade students and their parents shall be provided workshops on filling out college applications and the FAFSA. Such students and their parents shall have the opportunity to complete the FAFSA at such workshops.

(d) TSAC shall enlist the assistance of the department of education, LEAs, and local schools in informing students on lottery scholarship day of the necessity of passing Gateway tests for graduation from high school and the consequences of failure to pass such tests with respect to further educational opportunities.

(e) At the conclusion of the lottery scholarship day, TSAC shall provide a list to each high school of the students from the school that attended the day in order that the high school may ensure that all students not attending receive information on lottery scholarships, college admission standards, and other requirements for college attendance.

SECTION 3. Tennessee Code Annotated, Section 49-4-911, is amended by adding the following language as a new appropriately designated subsection:

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(1) Notwithstanding provisions of this section to the contrary, if, at the end of the semester in which a student has attempted a total of twenty-four (24) semester hours, the student has achieved a cumulative grade point average of at least 2.5, but less than 2.75, then the student shall be eligible for two-thirds (2/3) of the Tennessee HOPE scholarship award that student would have been eligible to receive had the student achieved at least a 2.75 cumulative grade point average. The student shall be eligible for the two-thirds (2/3) scholarship award until the end of the semester in which such student has attempted a total of forty-eight (48) semester hours; provided, that the student continues to meet all other applicable requirements for the scholarship. At the end of the semester in which such student has attempted a total of forty-eight (48) semester hours, if the student has achieved a cumulative grade point average of at least 3.0, the student shall be eligible to receive a full Tennessee HOPE scholarship. A student who fails to achieve at least a 3.0 cumulative grade point average at the end of the semester in which the student has attempted a total of forty-eight (48) semester hours shall be ineligible for a Tennessee HOPE scholarship.

(2) A student qualifying for a two-thirds (2/3) Tennessee HOPE scholarship under this subsection, who received a General Assembly Merit Scholar supplemental award for the first twenty-four (24) semester hours, shall henceforth be ineligible for the General Assembly Merit Scholar supplemental award and shall not be able to regain the supplemental award. Such student may qualify for a full Tennessee HOPE scholarship at the end of the semester in which the student has attempted a total of forty-eight (48) semester hours.

(3) The provisions of this subsection shall apply to students receiving Tennessee HOPE Access grants under § 49-4-920, so that such student who achieves a cumulative grade point average of at least 2.5, but less than 2.75, at the end of the semester in which the student has attempted a total of twenty-four (24) semester hours, shall be eligible for two-thirds (2/3) of the Tennessee HOPE scholarship award.

SECTION 4. The Tennessee Code Commission is requested to reserve §§ 49-4-936 - 49-4-950.

SECTION 5. Tennessee Code Annotated, Title 49, Chapter 4, Part 9, is amended by adding the following new sections:

§ 49-4-951.

The general assembly finds and declares that:

(1) Many of this state's economically disadvantaged children are not encouraged at an early age to have high ambitions and expectations and to make college attendance a primary goal;

(2) Economically disadvantaged middle schoolers and their parents are often unaware of the necessity of early planning for continuing education beyond high school. This lack of awareness hinders and discourages such students from striving to attain higher education;

(3) Lack of planning for future college participation results in failure to enroll and succeed in college preparatory and advanced placement courses in high school, and in failure to take courses, such as Algebra I, in middle school or as early as possible;

(4) Support limited to help with academics, however, is not sufficient to provide all information and skills that students and their parents must acquire to ensure adequate academic achievement and financial ability for success in higher education. Such students and their parents often need help and encouragement in accessing information

about educational opportunities, courses needed to prepare for a particular career, college selection and application, the cost of higher education, the availability of financial aid, and application for such aid. To be effective, such assistance and encouragement must begin before students enter high school;

(5) An ASPIRE pilot project should be created to address the multi-faceted needs of economically disadvantaged middle school students and their parents in accessing and acquiring skills and information to ensure entrance in college and the financial ability to secure higher education opportunities; and

(6) Article XI, Section 5 of the Tennessee Constitution provides that proceeds from the state lottery shall be "allocated to provide financial assistance to citizens of this state to enable such citizens to attend postsecondary educational institutions located within this state." A component of the ASPIRE pilot project should provide financial assistance to students enrolled in the project from state lottery proceeds through an ASPIRE scholarship program.

§ 49-4-952.

As used in §§ 49-4-951 - 49-4-965, unless the context otherwise requires:

(1) "ASPIRE applicant" means an ASPIRE high school student who is a Tennessee citizen and resident, who graduated or shall graduate from a Tennessee public high school or a private Southern Association of Colleges and Schools accredited high school located in Tennessee, who affirms the applicable parts of the ASPIRE pledge and who applies to an eligible postsecondary institution as defined in § 49-4-902;

(2) "ASPIRE college student" means a college student who is a Tennessee citizen and resident, who is enrolled in an eligible postsecondary institution and receiving an ASPIRE scholarship, and who

affirms the applicable parts of the ASPIRE pledge upon reapplication for continuation of an ASPIRE scholarship as required by § 49-4-959;

(3) "ASPIRE middle school student" means a middle school student who is a Tennessee citizen and resident, who attends a public middle school located in Tennessee that is a Title I school at the time of enrollment in an ASPIRE pilot project enrichment program, and who agrees to and signs the ASPIRE pledge;

(4) "ASPIRE high school student" means a high school student who is a Tennessee citizen and resident, who attends a Tennessee public high school or a private Southern Association of Colleges and Schools accredited high school located in Tennessee, who was an ASPIRE middle school student and who affirms the applicable parts of the ASPIRE pledge at the beginning of each school year in the ninth through the twelfth grades;

(5) "ASPIRE pledge" means the agreement made in writing by an ASPIRE student or applicant, together with the student's custodial parent or guardian, if the student is a minor. As applicable to the student or applicant, the student or applicant shall pledge to:

(i) Participate in an enrichment program;

(ii) Graduate from a Tennessee public high school or a private Southern Association of Colleges and Schools accredited high school located in Tennessee;

(iii) Achieve an overall grade point average upon graduation from high school of at least 2.0 for courses taken in high school;

(iv) Not illegally use controlled substances;

(v) Not illegally consume alcoholic beverages;

(vi) Not commit a crime or delinquent act;

(vii)

(a) When a senior in high school to timely apply to an eligible postsecondary institution as defined in § 49-4-902; or

(b) When reapplying for continuation of an ASPIRE scholarship, continue to be enrolled in an eligible postsecondary institution;

(viii) Timely apply for any federal and state student financial assistance available to the student to attend an eligible postsecondary institution; and

(ix) Maintain the grade point average required for continuation of an ASPIRE scholarship;

(6) "ASPIRE scholarship" means an "Assisting Superior Pupils in Reaching Excellence" scholarship for study in pursuit of an associate or baccalaureate degree at an eligible postsecondary institution that is funded from net proceeds of lottery games conducted by the state;

(7) "ASPIRE student" means an ASPIRE college student, an ASPIRE middle school student or an ASPIRE high school student; and

(8) "Title I middle school" means a middle school in which fifty percent (50%) or more of the students qualify for free and reduced lunch pursuant to 42 U.S.C. §§ 1751-1769.

§ 49-4-953.

(a) The department of education shall establish, administer, and monitor one (1) or more ASPIRE pilot projects to enable students in Title I public middle schools who are citizens and residents of this state to attend eligible postsecondary educational institutions located in this state after graduation from high school through financial assistance from state lottery proceeds.

(b) Such projects shall consist of two (2) collaborative components:

(1) The ASPIRE scholarship program that shall provide financial assistance to eligible college students from state lottery proceeds; and

(2) Enrichment programs funded by sources other than the state or funded primarily by sources other than the state. Enrichment programs shall provide middle school participants with opportunities for academic improvement and college awareness through activities such as:

(A) Tutoring or mentoring;

(B) After school, Saturday or summer school programs;

(C) Career fairs;

(D) College counseling and college visits; and

(E) Financial counseling as to the cost of college and financial aid available.

Such programs shall be committed to following the progress of such students after they enter high school. Enrichment programs shall provide for parent and teacher involvement in the planning for students' academic and career success. Enrichment programs shall furnish parents with information and assistance concerning support and encouragement of students in preparing for college, postsecondary institutions located in the state, admission processes, and available financial aid and how to apply for such aid.

(c) Enrichment programs may be established by partnerships of a local education agency and an institution of higher education. Support from the community in which the program operates, including support from nonprofit organizations and groups and businesses, shall be encouraged. If the department creates pilot projects in collaboration with such enrichment programs, the department shall establish a process by which existing programs that seek to participate in the pilot project may apply. The department shall establish no more than six (6) such pilot projects, with no more than two (2) such projects from each

grand division of the state. Pilot projects in a grand division shall be established in both urban and rural communities.

(d) Enrichment programs may also be established by the department of education. If such programs are established, they shall be created in both urban and rural communities in each of the three (3) grand divisions of the state.

§ 49-4-954.

The department of education shall establish the ASPIRE scholarship program. Such program shall award credits or points for participation in enrichment program activities and for academic achievement in both middle school and high school. The department shall determine and assign the number of points to be awarded for participation in an enrichment activity and the number of points to be awarded for different levels of academic achievement. Academic achievement points shall be awarded for maintaining a grade point average of 2.0 or more, or the equivalent in other grading systems, in courses or overall. Higher scholastic performance as evidenced by grade point averages greater than 2.0 shall merit the award of higher numbers of points. Academic achievement points shall also be awarded for performance on TCAP and ACT tests or equivalent measures of performance. Higher performance on such measures shall merit the award of higher numbers of points. At least seventy-five percent (75%) of the total points that can be achieved shall be available for award for academic achievement in middle school and high school. The remaining number of the total points that can be achieved shall be available for award for participation in enrichment program activities by ASPIRE middle school and high school students or their parents.

§ 49-4-955.

(a) The department shall be responsible for collection of all data concerning the points earned by middle school and high school students for participation in enrichment programs and academic achievement. The

department of education shall provide TSAC with all information needed for identification of a student and the number of points awarded to the student upon notification by TSAC that the student has applied for a scholarship.

(b) Middle schools and high schools at which ASPIRE students are enrolled and enrichment programs shall provide by June 30 of each year all information needed by the department of education to determine the number of points awarded to such students during the year.

(c) The department shall be responsible for collection and maintenance of all written ASPIRE pledges made by middle school and high school students. TSAC shall be responsible for collection and maintenance of all written ASPIRE pledges made by applicants and college students.

§ 49-4-956.

The department shall determine the minimum number of points necessary for the receipt of an ASPIRE scholarship. Such number shall include a requirement that points be earned in both enrichment program participation and academic achievement. The department shall specify the minimum number of points that must be earned to receive a full ASPIRE scholarship to attend an eligible public postsecondary institution. Students earning fewer points for either academic achievement or for participation in enrichment programs than the number required for a full tuition scholarship, but more than the minimum number of points for a scholarship, shall be eligible for scholarships in amounts as determined by the department.

§ 49-4-957

The provisions of §§ 49-4-910, 49-4-912, 49-4-913, and 49-4-919 that apply to Tennessee HOPE scholarships shall also apply to ASPIRE scholarships.

§ 49-4-958.

To be eligible for an ASPIRE scholarship an ASPIRE applicant shall:

(1) Not be ineligible for a scholarship under § 49-4-904;

- (2) Meet all requirements of the ASPIRE scholarship, including earning the minimum number of points required under § 49-4-956;
- (3) Affirm in writing the ASPIRE pledge; and
- (4) Be admitted to and enroll in an eligible postsecondary institution no later than the fall semester immediately following graduation from high school; and
- (5) Apply for an ASPIRE scholarship.

§ 49-4-959.

(a) To continue to receive an ASPIRE scholarship, an ASPIRE college student at an eligible postsecondary institution shall continue to meet all applicable requirements for the scholarship and shall reapply for the scholarship upon attempting twenty-four (24), forty-eight (48), seventy-two (72), or ninety-six (96) semester hours, and, if enrolled in an undergraduate degree program required to be more than one hundred twenty (120) semester hours length upon attempting one hundred twenty (120) semester hours. At the end of each semester in which eligibility is reviewed, an ASPIRE college student shall be in good academic standing at the institution in which the ASPIRE college student is enrolled.

(b) If an ASPIRE student or applicant violates any agreement of the ASPIRE pledge, the student or applicant shall cease to be eligible for receipt of an ASPIRE scholarship.

(c) If an ASPIRE college student ceases to be eligible for an ASPIRE scholarship at any time for any reason, then the student shall not be able to regain the ASPIRE scholarship.

§ 49-4-960

(a) An ASPIRE scholarship for a college student attending an eligible public postsecondary institution shall include payment of tuition and mandatory fees for such student's attendance at such institution, if the student receives no

other financial assistance specifically designated for tuition and mandatory fees. If the student receives financial assistance specifically designated for tuition or mandatory fees, then an ASPIRE scholarship shall pay the balance required to attend the eligible public postsecondary institution, not to exceed the cost of full payment of the student's tuition and mandatory fees.

(b) Full-time students attending eligible independent postsecondary institutions shall receive the average of full tuition and mandatory fees charged at all four-year public postsecondary institutions, if the student is attending a four-year eligible independent postsecondary institution, or the average of full tuition and mandatory fees charged at all two-year public postsecondary institutions, if the student is attending a two-year eligible independent postsecondary institution, provided that the student receives no other financial assistance specifically designated for tuition and mandatory fees. If a student attending an eligible independent postsecondary institution receives other financial assistance specifically designated for tuition and mandatory fees, the ASPIRE scholarship shall pay the balance required to attend the eligible private postsecondary institution, not to exceed the average cost of full payment of tuition and mandatory fees at all comparable eligible public postsecondary institutions. The award for a student attending an eligible independent postsecondary institution part-time shall be reduced prorata.

§ 49-4-961.

If the sum of all financial aid, including an ASPIRE scholarship, for which a student qualifies exceeds the institutionally defined total cost of education at the eligible postsecondary institution the scholarship recipient is attending, then such student's financial assistance provided shall be reduced so that the financial aid actually received by the student does not exceed the institutionally defined total cost of education.

§ 49-4-962.

The award of ASPIRE scholarships and the amount of such scholarship is subject each year to the amounts appropriated by the general assembly and any provision of law relating to a shortfall in funds available for postsecondary financial assistance from the net proceeds of the state lottery.

§ 49-4-963.

(a) The department of education shall report annually to the education committee of the senate and the education committee of the house of representative before the second Tuesday in January, concerning the ASPIRE pilot projects. Such report shall include, but not be limited to, information concerning the project sites, collaborators, the number of ASPIRE middle and high school students, the number of such students retained in the program from the previous year, the number of students dropping out of the program and the reasons for failure to retain those students, and the number of points awarded.

(b) The ASPIRE scholarship program shall be administered by TSAC, which shall be responsible for determination of eligibility of students and for the distribution of funds appropriated by the general assembly for scholarships awarded under the program. In the event net proceeds from lottery revenues are insufficient to fund fully the ASPIRE scholarships, then the Tennessee student assistance corporation is authorized to review and reduce the amounts to be awarded for such scholarships pro rata.

(c) THEC shall provide assistance to the general assembly and to TSAC by researching and analyzing data concerning the ASPIRE scholarship program, including, but not limited to, student success in postsecondary education and scholarship retention. THEC shall report its findings annually to the education committee of the senate and the education committee of the house of representatives before the second Tuesday in January.

(d) Postsecondary educational institutions that enroll students receiving ASPIRE scholarships shall provide all information required by TSAC and THEC

that is necessary for administering, reviewing, and evaluating the ASPIRE scholarship program. TSAC and THEC may choose to collect data from higher education institutions or through the University of Tennessee system, board of regents, or the Tennessee Independent Colleges and Universities Association. TSAC and THEC shall maintain confidentiality of individual student records in accordance with the Family Educational Right to Privacy Act.

§ 49-4-964.

(a) The department of education is authorized to promulgate rules and regulations to establish the ASPIRE pilot project, including rules applicable to the ASPIRE scholarship program and rules applicable to the enrichment programs, and to otherwise effectuate the purposes of the ASPIRE pilot project. Rules applicable to the enrichment programs shall include, but not be limited to, procedures for application for participation by enrichment programs. All such rules and regulations shall be promulgated in accordance with the provisions of the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

(b) TSAC is authorized to promulgate rules and regulations to establish deadlines for applications for ASPIRE scholarships, appeal procedures for the denial or revocation of ASPIRE scholarships, methods of paying ASPIRE scholarship awards to part-time students, and to otherwise effectuate the purposes of the ASPIRE scholarship program. All such rules and regulations shall be promulgated in accordance with the provisions of the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

(c) TSAC shall promulgate rules and regulations to provide for repayment or partial repayment of an ASPIRE scholarship awarded to a student who subsequently withdraws from courses or from the postsecondary institution. Such rules shall be comparable to rules for repayment of other financial aid available to postsecondary students. No repayment shall be required if a full-time student withdraws from a course and such withdrawal does not reduce the student's

course load below twelve (12) semester hours. All students shall be notified of the consequences of withdrawing from courses or from the institution when notified of the award of an ASPIRE scholarship. All such rules and regulations shall be promulgated in accordance with the provisions of the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

(d) THEC is authorized to promulgate rules and regulations to effectuate the purposes of this part. All such rules and regulations shall be promulgated in accordance with the provisions of the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

(e) Costs incurred by the department of education, TSAC and THEC in administering the ASPIRE scholarship program of the ASPIRE pilot project, which provides financial assistance to enable citizens of this state to attend postsecondary educational institutions, shall be funded from the lottery for education account as part of such programs.

§ 49-4-965.

(a) There is created a special account in the state general fund to be known as the "ASPIRE scholarship support fund." Any fund balance remaining unexpended at the end of a fiscal year in the fund shall be carried forward into the subsequent fiscal year. Moneys in the fund shall be invested by the state treasurer in accordance with the provisions of § 9-4-603. Interest accruing on investments and deposits of the fund shall be carried forward into the subsequent fiscal year. No part of the fund shall be diverted to the general fund or any other public fund. Moneys in the fund shall only be expended and obligated in accordance with appropriations made by the general assembly. Moneys in the fund shall only be expended in accordance with the provisions of this section. The fund shall be administered by TSAC.

(b) The ASPIRE scholarship support fund may accept voluntary contributions from individuals, nonprofit organizations, or for-profit corporations, partnerships, or other entities.

(c) Moneys from the ASPIRE scholarship support fund shall be used to provide reimbursements to ASPIRE scholarship recipients to offset the cost incurred by such recipients in purchasing:

(1) Required textbooks, supplies, or equipment;

(2) Any other materials required by the eligible postsecondary institution that the ASPIRE scholarship recipient is attending to participate in a particular class, seminar, laboratory, or other type of instruction; or

(3) Other items or services approved by TSAC under rules adopted by TSAC.

(d) To be eligible to receive money from the fund, an ASPIRE scholarship recipient shall apply to TSAC on a form provided by TSAC. The scholarship recipient shall certify to TSAC that the scholarship recipient has incurred costs under subsection (c) that were not included in the ASPIRE scholarship award or in other financial assistance available to the student.

(e) Upon verification by TSAC of the information provided by the scholarship recipient and subject to the availability of money in the support fund and the appropriation of such money by the general assembly, TSAC shall reimburse the ASPIRE scholarship recipient the amount of money requested.

(f) Reimbursement under this section shall be provided in the order in which applications for reimbursement were received.

(g) TSAC shall promulgate rules and regulations to effectuate the purposes of this section. All such rules and regulations shall be promulgated in accordance with the provisions of the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

SECTION 6. The Tennessee Code Commission is requested to reserve §§ 49-4-966 - 49-4-980.

SECTION 7. Tennessee Code Annotated, Title 49, Chapter 4, Part 9, is amended by adding the following new sections:

§ 49-4-981.

(a) The department of education shall establish, administer and monitor a system of competitive grants for eligible organizations providing pilot after school educational programs consistent with article XI, section 5, of the constitution of Tennessee.

(b) Such grants shall be available in any fiscal year in which the financial assistance program for attendance at postsecondary educational institutions located within this state is funded pursuant to title 49, chapter 4, part 9, and excess funds are available from the lottery for education account for other educational purposes and projects consistent with article XI, section 5, of the constitution of Tennessee. In any such year, the governor may recommend, and the general assembly may appropriate, moneys for grants for pilot after school educational programs. Such appropriations shall otherwise be made in the manner required by law for appropriations.

(c) Such grants shall supplement, not supplant, non-lottery educational resources for after school educational programs and purposes.

§ 49-4-982.

(a) The purpose of the pilot after school educational programs shall be to increase performance for at-risk students on the ACT examination in order to expand the number of students in the at-risk population eligible for lottery scholarships and to increase the abilities of such students to excel in postsecondary education. Such programs shall serve at-risk students in grades seven through nine (7-9). The programs shall prepare such students to take the

EXPLORE and PLAN ACT preparatory exams and to eventually take the ACT exam.

(b) Six (6) pilot after school educational programs shall be established with two (2) programs in each grand division of the state. One (1) program in each grand division shall be in a rural area with the other program in the grand division. Each pilot program shall serve no more than sixty (60) students.

§ 49-4-983.

(a) In accordance with rules and regulations promulgated by the state board of education and on the recommendation of the commissioner of education, grants shall be awarded to public schools, public charter schools, or public and not-for-profit organizations that propose to provide pilot after school educational programs.

(b) An organization shall be eligible if such organization proposes to operate a program that provides:

(1) Academic tutoring and skills development in subjects covered by EXPLORE, PLAN, and ACT examinations; and

(2) Test taking skills and strategies.

§ 49-4-984.

At least once each year, the commissioner shall report findings and recommendations concerning the pilot after school educational programs established pursuant to the provisions of this part to the governor, speaker of the senate, speaker of the house of representatives, and the education committees of the senate and the house of representatives.

§ 49-4-985.

The state board of education, on the recommendation of the commissioner of education, is authorized to promulgate rules and regulations to effectuate the provisions of this part. All such rules and regulations shall be

promulgated in accordance with the provisions of the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

SECTION 8. The provisions of this act shall not be construed to be an appropriation of funds and no funds shall be obligated or expended pursuant to this act unless such funds are specifically appropriated by the general appropriations act.

SECTION 9. This act shall take effect upon becoming a law, the public welfare requiring it.